

12 JUL 1978

MEMORANDUM FOR THE RECORD

OLC #78-2627//

SUBJECT: Meeting with House Appropriations Committee Staff
Members Regarding DIA/CIA Collocation/Consolidation

1. On 12 July, [redacted] Chief, Real Estate and Construction Division, Mr. Ed Sherman, Office of Legislative Counsel (OLC), and the undersigned met with Mr. G. Carter Baird and Mr. Michael O. Glynn of the Studies and Investigations Staff, House Appropriations Committee, on the subject study. As a point of beginning, Mr. Baird related that he and Mr. Glynn had been tasked to prepare a study for Mr. Mahon, Chairman of the House Appropriations Committee (the study was actually requested by Mr. McKay of the Military Construction Subcommittee), on the following:

25X1

a. The validity of the requirement for the proposed DIA Headquarters Building.

b. Options for the siting of the building, including locations in the National Capital Region (NCR) as well as outside the NCR, for both full and partial DIA relocation options.

c. Other alternatives to new construction, including renovation or upgrade of existing facilities.

2. I briefed the two individuals, in some detail, on the project along the lines described in the attached project summary and chronology. The file was then made available to them for their review and an indication from them as to what documentation they desired to retain for their use. There were several questions regarding my own views as to the desirability and feasibility of the proposed project, and I generally responded citing the advantages which would accrue from collocation but pointing out that only the DCI was really in a position to assess the importance of such a proposal in terms of the community as a whole and improved understanding and cooperation which would result. Regarding the feasibility of the project, I enumerated the problems which would arise in terms of accomplishing the construction in a short time frame but emphasized that with Executive and Congressional support; these could be overcome.

PROJECT SUMMARY

CIA/DIA COLLOCATION/CONSOLIDATION

(as of 7 July 1978)

In early September the Director of Central Intelligence and the Secretary of Defense discussed the possibility of either collocating or consolidating the proposed new DIA headquarters facility at Langley with CIA rather than at Bolling Air Force Base, as currently planned by DIA. To that end, a representative of the Office of Logistics and a representative of the Defense Intelligence Agency prepared, during September, a joint staff study which concluded that DIA should proceed with construction at Bolling as planned. This conclusion was based on the belief that the DIA project would be delayed several years if collocation or consolidation at Langley was undertaken.

The DCI in early October rejected this study requesting that more detailed consideration be given to the advantages which would accrue from the project and that additional consideration be given to means by which approval and construction times could be decreased to the point that no delay in overall project completion would result. Another paper was prepared by Agency representatives (without DIA participation) which delineated in great detail the advantages which would result from the proposal and further indicated that the project could be completed without delay provided two conditions were met. First, approval for the Agency to contract directly on a negotiated basis with a single firm for both design and construction would be required so that both could proceed concurrently rather than consecutively as presently planned by DIA, and; second, direct participation by the DCI and possibly even the White House would be required to obtain Congressional approval and funding and local governmental approval within a maximum of 9 months.

The DCI accepted this revised study and, in early November, provided the study to the Secretary of Defense for his consideration. The DCI further urged that the Secretary of Defense proceed in the direction of collocation or consolidation. Subsequently, DIA representatives requested and obtained detailed briefings from the Agency based on which they could prepare a response from the Secretary of Defense to the DCI on his proposal. No response was forthcoming.

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3. Regarding control of classified documents, Mr. Sherman and the House staffers agreed that, following their designation of documents they wished to retain, we would:

a. Sanitize the material at least with respect to the names of Agency personnel who are or could be under cover.

b. Have the remaining classified material reviewed by Mr. Sherman.

c. Obtain a receipt from the House staffers for the documents.

Following use, the House staffers agreed to return all the material to the Agency without retaining any copies.

25X1 4. Finally, Mr. Sherman emphasized, particularly for [redacted] and I, the point that there may be a number of other issues besides the specific DIA/CIA collocation/consolidation issue which are involved in Mr. Mahon's request for information, and, as a result, OLC review of information provided is desirable to preclude its use for other than that which is intended.

5. The House staffers appeared to be satisfied with the information provided. 25X1

Att

cc: OLC (Attn: Ed Sherman), w/att.
D/L, w/att.

Distribution:

Original - OL/RECD Official, w/att.
1 - OL Files, w/att.
1 - OL/RECD Chrono, w/o att.

25X1 OL/RECD/[redacted] (12 Jul 78)

CIA/DIA COLLOCATION/CONSOLIDATION (Continued)

In January 1978, construction funding for the proposed DIA building at Langley was apparently deferred 1 year by the President removing one of the key objections, i.e. construction delay, which the Secretary of Defense had to the project. The DCI and Secretary of Defense resumed an inconclusive dialogue about the construction, but on 4 May the Deputy Secretary of Defense officially advised the DCI that he planned to proceed with construction at Bolling AFB based on cost, anticipated delays, and a desire not to create the perception of joint analytical centers.

During May the DCI requested and received additional data which would allay the concerns of the Secretary of Defense, and presumably this data was discussed with the Secretary of Defense in their periodic meetings. Specifically, the DCI requested and received additional data on cost savings which would result from consolidation and on what DIA elements could be "peeled off" and put elsewhere so only the basic analytical elements would come to Langley. This latter option had been explicitly suggested by the Secretary of Defense.

On 7 July, [] advised the CIA focal point officer of discussions he was having with House Appropriations Committee staffers on the project and the fact that these staffers would be contacting CIA on the project.

STAT

Chronology

7 September	DCI/Sec Def discussion re proposed DIA Building. DCI comments: (1) building smaller and (2) locate at Langley.	
12 September	A/DDA tasked to prepare paper.	
14 September	Note fm Malanick to DCI forwarding July Feasibility Study for new construction at Langley to Consolidate CIA (external).	
15 September	Memo to DCI fm Sec Duncan asking for feasibility decisions with 3 weeks and designating []	STAT
?	Memo fm DCI to Duncan designating []	STAT
19 September	Memo to DCI fm McMahon re use of MILCON funds.	
21, 22 & 27 September	Further questions re July Feasibility Study fm DCI.	
2 October	Memo to Agency specialists asking help.	
STAT 7 October	[] Feasibility Study submitted pros and cons. Recommended: (1) DIA continue as planned and (2) Future - more coordinated planning. Ayron concurred.	
25X1 11 October	[] withdraws concurrence because although recommended DIA proceed, arguments not strong enough and opens door for "CIA Takeover" per [] fm [] (DIA Comptroller). Note sent fm Malanick to DCI relating above.	25X1
STAT 12 October	MFR re [] conversation giving more info on withdrawal of concurrence.	STAT
End of Week of 11 October	Memo and comments fm DCI re study--terrible, etc. Requests more info. [] withdrew fm study. Letter fm DCI to Duncan saying dissatisfied and have [] regroup and get more info.	STAT 25X1

Chronology (continued)

19 October	Telecon w/ [] He will help get certain info, when ready, and will not expand study w/o DCI and DOD direction. We propose having specialists examine DIA ops and he refuses until directed.	STAT
19 October	Note fm DCI asking why we haven't completed getting new info.	
21 October	Memo to CIA reps asking assistance on study.	
25 October	McMahon got DIA to cooperate on new study.	
3 November	New study completed and forwarded.	
10 November	Ltr fm DCI to Sec Def forwarding new study and urging consolidation.	
November	Series of meeting for DIA officers on new study.	
5 January	DIA construction at BAFB deferred FY-79 to FY-80 by President.	
20 January	DCI and Sec Def inconclusively discuss proposed collocation.	
February/March	DIA still massaging new study.	
20 April	DCI request on duration and steps required for construction at Langley.	
27 April	Response	
4 May	Memo to DCI fm ^{Dep.} Sec Def saying DIA is going to Bolling AFB.	
9 May	Memo to DCI on cost savings for consolidation	
May	Oral request fm DCI re what components planned for building and what could be spun off.	
23 May	Response.	
May	Oral request fm DCI re additional clarification on 23 May memo.	
31 May	Response	

Chronology (continued)

31 May Request fm DCI to look at it from DIA's
point of view and suggest components for
collocation.

1 June Response.

7 July

advised House Appropriations
staffers reviewing proposals.

STAT